

MEMORANDUM FOR: Director of Central Intelligence

FROM : SA/DCI/IA

SUBJECT : Your Friday Luncheon Meeting with Secretary Shultz

1. You are scheduled to attend a working luncheon with Secretary Shultz and Deputy Secretary Dam at noon, Friday at State Department. Bob Gates will accompany you.

2. State Department had only one item for Friday's agenda. This concerns:

--Moroccan/Libyan Collaboration. This stems, at least in part,

[REDACTED]

At Tab A you will find talking points prepared by Graham Fuller that review the status of the Moroccan/Libyan connection. Graham notes that this alliance is in the grand tradition of Arab politics, involving kaleidoscopic alliances, enemies embracing at airports and keeping one's guard up by proximity and not distance. He indicates that the union will be an economic boom for the Moroccans but that politically the gains will be questionable. Finally, he notes that the unity agreement will probably not persist very long in any meaningful form; in fact, the more substantive/meaningful it is the more short-lived it will be.

3. For our part, you may wish to raise the following items:

--Salvador/Nicaragua Update: At Tab B is an update on the situation in El Salvador and in Nicaragua. Of note is the apparent Salvadoran insurgents' willingness to postpone the offensive in favor of direct negotiations with Duarte; Duarte's unwillingness to engage now in such negotiations; [REDACTED]

[REDACTED] and, finally, evidence of a growing Cuban role in Nicaragua.

--The Soviet Leadership: At Tab C you will find talking points that allow you to initiate a general discussion on the prospects for the Soviet leadership. Chernenko's appearance yesterday on television would seem to indicate that rumors of his having had a heart attack in August were incorrect and perhaps purposely spread. There is some possibility that an extended battle for the successor's mantle is already under way--one that involves Gorbachev and Romanov--and rumors concerning Chernenko's health are a reflection of that struggle. Neither Gorbachev nor Romanov, however, are likely to have sufficient backing for a near-term, clear-cut victory. Thus, we can expect more rumors about Chernenko's imminent demise and more muddling through in the policy domain.

* The apparent removal of the Chief of the Soviet General Staff will be treated in a short piece that you will have tomorrow!

You also may want to take this opportunity to discuss next week's NSPG on Central America (Tuesday) and an NSC on ASAT arms control (Friday) with the Secretary.

4. If I can do more to help in preparing for this meeting, please call.

[REDACTED]